

**RESPONSIVE TESTIMONY OF
DANIEL F. KASSIS, P.E.
ON BEHALF OF
DOMINION ENERGY SOUTH CAROLINA, INC.
DOCKET NO. 2019-365-E**

1 **Q. PLEASE STATE YOUR NAME, BUSINESS ADDRESS, AND**
2 **OCCUPATION.**

3 A. My name is Daniel (“Danny”) F. Kassis. My business address is 2392 West
4 Aviation Avenue, North Charleston, South Carolina 29406. I am the General
5 Manager of Strategic Partnerships & Renewable Energy for Dominion Energy
6 South Carolina, Inc. (“DESC”). I oversee customer facing solar and all renewable
7 energy initiatives for DESC. I also lead the customer service engineering, lighting,
8 right-of-way, demand side management, large customer account, and
9 franchise/contracts teams for DESC.

10
11 **Q. ARE YOU THE SAME DANNY KASSIS THAT OFFERED DIRECT**
12 **TESTIMONY IN THIS DOCKET?**

13 A. Yes, I am.

14
15 **Q. WHAT IS THE PURPOSE OF YOUR RESPONSIVE TESTIMONY?**

1 A. The purpose of my responsive testimony is to describe the purpose of this
2 generic docket—including the specific items covered by this docket—and highlight
3 several areas of agreement among and between DESC and Witnesses Brown and
4 Sercy.

5
6 **Q. WHAT IS YOUR UNDERSTANDING OF THE PURPOSE OF THIS**
7 **GENERIC PROCEEDING?**

8 A. As stated in Order No. 2020-779, the Commission established this generic
9 docket for the “exploration of a South Carolina competitive procurement program.”

10
11 **Q. IS THE PURPOSE OF THIS DOCKET TO ESTABLISH A CPRE?**

12 A. No. As described above, this is a generic docket to hear testimony to explore
13 competitive procurement of renewable energy (“CPRE”) in South Carolina and
14 collect information regarding the items outlined by the Commission in Order No.
15 2020-779. The items required by the Commission include:

- 16 1) best practices;
- 17
- 18 2) the benefits and monetary savings associated with establishing
- 19 and administering competitive procurement programs for the
- 20 utility and for the ratepayer;
- 21
- 22 3) the challenges and costs associated with establishing and
- 23 administering competitive procurement programs for the
- 24 utility and for the ratepayer;
- 25
- 26 4) the types of competitive procurement programs, or options
- 27 available in competitive procurement programs for a utility;
- 28 and the related benefits, savings, costs, and challenges;

- 1
- 2 5) the impact of revisions to the utility's existing competitive
- 3 procurement program; and
- 4
- 5 6) the impact of addition of, or revisions to, a utility's competitive
- 6 procurement program upon other areas, including, but not
- 7 limited to the following: IRP process, interconnection, energy
- 8 storage, and queue reform.
- 9

10 As I explain below, DESC finds common ground on these topics with several of the
11 witnesses in this docket. At the core of those agreements is the fact that the CPRE
12 process is complex, multi-faceted, and able to take various different forms.

13
14 **Q. ON PAGE 9, LINES 1-11, WITNESS BROWN LISTS FACTORS FOR**
15 **CONSIDERATION WHEN DECIDING WHETHER TO ADOPT AND HOW**
16 **TO DESIGN A CPRE. PLEASE DISCUSS WITNESS BROWN'S**
17 **TESTIMONY.**

18 A. Obviously, Witness Brown has experience and understands the complexity,
19 the various design options, and the significant cost inherent in implementing any
20 CPRE program. While these may not directly overlap with DESC's testimony, it is
21 generally consistent and relates to the scope of this docket. I would also note there
22 are several areas of agreement. For example, in my direct testimony, I discuss the
23 process of implementing CPRE necessarily requires a "time commitment and
24 potentially large financial [cost]."¹ Witness Brown echoes that same statement when

¹ Direct Testimony of Daniel Kassis, page 14, lines 2-3, filed in this docket on February 22, 2021.

1 drawing upon his experience in North Carolina, and he describes the process for
2 creating such programs as “time consuming and requir[ing] a number of decisions
3 to be made by the legislature or utility commission, as applicable, in order to
4 establish, implement, and oversee such programs.” Witness Brown goes on to relay
5 his experience in North Carolina, which implemented a CPRE program via the
6 legislative process that took approximately 7 months, involved stakeholder input
7 and “several months of discussions and negotiations”² prior to passage of the bill.
8 Clearly, Duke and DESC are in agreement that the establishment, implementation,
9 and overseeing of CPRE programs includes a number of complex processes
10 necessarily involving the consumption of time and financial resources.

11 Part of the reason that this process is so time consuming and complex is that
12 the applicable jurisdiction must first wade through the multitude of variations of
13 CPRE to determine which variation is appropriate for that jurisdiction. Again,
14 Witness Brown realizes this aspect of complexity within the CPRE process, and
15 notes that “a variety of different approaches”³ have been utilized across the country.
16

17 **Q. DO YOU AGREE WITH WITNESS BROWN’S TESTIMONY ON PAGE 22,**
18 **LINES 14-16, WHICH STATES, “THESE ISSUES ARE COMPLEX AND**
19 **WILL REQUIRE SIGNIFICANTLY MORE ATTENTION IN THE EVENT**

² Direct Testimony of George Brown, page 4, line 13, filed in this docket on February 22, 2021.

³ *Id.* at page 8, lines 18-19.

1 **THE COMMISSION DECIDES TO EXPLORE THIS CONCEPT**
2 **FURTHER?”**

3 A. I do, and I think Witness Brown’s testimony in this regard is particularly
4 relevant given his recent experience in the implementation of CPRE in North
5 Carolina. As I stated above, Witness Brown’s testimony evidences a months’-long
6 legislative process in North Carolina culminating in the implementation of a CPRE
7 program.

8
9 **Q. DO YOU AGREE THAT WITNESS SERCY’S TESTIMONY RELATES TO**
10 **THE SCOPE OF THE GENERIC DOCKET?**

11 A. While his recommendations are outside the scope of this docket, Witness
12 Sercy does provides testimony that furthers the purpose of this exploratory docket
13 and provides a wide range of information related to the various factors and facets of
14 CPRE for this Commission to consider. Likewise, Witness Sercy makes several
15 high-level points that are similar or are in common with DESC witnesses. For
16 example, Witness Sercy notes that it would be worth considering “[p]rovisions for
17 managing renewable energy curtailment . . . given jurisdictional utilities within the
18 state have a non-trivial level of existing solar PV penetration on the grid.”⁴

⁴ Direct Testimony of Kenneth Sercy, page 14, filed in this docket on February 22, 2021.

1 Additionally, Witness Sercy notes the importance of flexibility in designing
2 a CPRE because it “allows a wide variety of design elements to be combined and
3 tailored to meet the unique circumstances and goals of the jurisdiction.”⁵

4 Witness Sercy goes on to find common ground with DESC on page 15 when
5 stating that a “well-developed IRP can inform design of a competitive procurement
6 program for renewable energy by . . . identifying procurement volumes and timing,
7 cost cap levels if applicable, and technologies to emphasize.”⁶

8 Finally, Witness Sercy echoes DESC’s statements regarding the challenges
9 of implementing a CPRE program. Specifically, Witness Sercy highlights the
10 challenges associated with the due diligence in carrying out a CPRE program, as
11 well as the risk of “realization”—meaning that “[u]nderestimating development
12 costs and underbidding by suppliers can lead to project failure, which can
13 compromise the realization of adding the renewable energy to the grid.”⁷

14
15 **Q. ON PAGE 18, WITNESS SERCY RECOMMENDS “A SIMPLE**
16 **PROCUREMENT DESIGN IN THE NEAR-TERM TO BUILD THE**
17 **INSTITUTIONAL AND MARKET EXPERIENCE NEEDED TO ENABLE**
18 **LARGER, MORE COMPLEX PROCUREMENTS IN THE FUTURE.” DO**
19 **YOU AGREE?**

⁵ *Id.* at page 7.

⁶ *Id.* at page 15.

⁷ *Id.* at page 11.

1 A. No. This recommendation is outside the scope of this generic proceeding.
2 Furthermore, as discussed in greater detail by Witness Koujak, conducting a CPRE
3 on an abbreviated “near-term” timeline to simply gain experience for a more
4 complex process would be inappropriate because such a “near-term” process would
5 ignore identified needs in the IRP—if any—and result in premature costs incurred
6 on behalf of DESC’s customers.
7

8 **Q. ON PAGE 30, WITNESS LEVITAS RECOMMENDS THE COMMISSION**
9 **TO “DIRECT EACH SOUTH CAROLINA INVESTOR OWNED UTILITY**
10 **TO CONDUCT A COMPETITIVE SOLICITATION FOR ANY NEW**
11 **RENEWABLE ENERGY RESOURCES IDENTIFIED AS NEEDED**
12 **WITHIN THE FIVE YEARS IN THE PREFERRED RESOURCE PLAN**
13 **APPROVED BY THE COMMISSION IN THE UTILITY’S CURRENT IRP**
14 **PROCEEDING.” IS THIS WITHIN THE SCOPE OF THIS PRELIMINARY**
15 **DOCKET?**

16 A. No. Unfortunately, rather than provide testimony to guide this Commission
17 in its consideration or the broad range of design options and complexities—as
18 Witnesses Brown, Sercy, and Koujak provided—Witness Levitas provided
19 testimony that reads more like a business development plan for the industry. This
20 recommendation is clearly outside the scope of this generic proceeding.
21

1 **Q. ON PAGE 31, LINES 14 THROUGH 17, WITNESS LEVITAS**
2 **RECOMMENDS THAT UTILITIES BE ALLOWED TO OWN AND RATE-**
3 **BASE NON-RENEWABLE RESOURCES “PROVIDED THAT THEY ARE**
4 **PROCURED THROUGH A COMPETITIVE PROCESS.” IS THIS WITHIN**
5 **THE SCOPE OF THIS DOCKET?**

6 A. No. I explained the purpose of this docket above. Witness Levitas’
7 recommendation is not responsive to the Commission’s enumerated topics and is
8 outside the scope of this proceeding.

9
10 **Q. DOES THIS CONCLUDE YOUR PRE-FILED RESPONSIVE**
11 **TESTIMONY?**

12 A. Yes, it does.